IN THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF PENNSYLVANIA

KENNETH L. FERGUSON, et al. : CIVIL ACTION

:

V.

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VALERO ENERGY CORP., et al. : NO. 06-540

ORDER

AND NOW, this 27th day of May, 2010, upon consideration of defendants' Motion for Sanctions (Docket No. 310), the plaintiffs' opposition brief, the defendants' reply brief thereto, and the Declaration of Wayne A. Schaible, Esquire in Support of Plaintiffs' Response to Motion for Sanctions/ Disqualification, IT IS HEREBY ORDERED, for the reasons set forth in a Memorandum of today's date, that the defendants' motion is GRANTED in part and DENIED in part, as follows:

- 1. The request for attorneys' fees, costs and expenses is GRANTED. The defendants' reasonable attorneys' fees, costs and expenses are to be taxed to Mr. Schaible and his firm, McCann Schaible & Wall, LLC. Mr. Schaible and his firm shall be jointly and severally liable for the payment of these sanctions;
- 2. The request for sanctions in the form of the Court's costs and expenses in preparing for and conducting trial is DENIED;
- 3. The request to disqualify Mr. Schaible from representing the plaintiffs in any further proceedings in this

matter is DENIED as moot. It is further ORDERED, however, that Mr. Schaible shall not appear before the Court in any manner in the forthcoming trial in this case, with the limited exception of his appearance in previously videotaped deposition read-in testimony; and

4. The defendants shall submit a petition, setting forth an itemization of their claim for attorneys' fees, costs and expenses, including the necessary factual support, on or before June 10, 2010. The plaintiffs may file an opposition on or before June 24, 2010. The defendants may file a reply brief on or before July 1, 2010.

BY THE COURT:

/s/Mary A. McLaughlin MARY A. McLAUGHLIN, J.